



ANHEUSER-BUSCH, INCORPORATED

ANNUAL REPORT FOR THE YEAR 1962

OFFICERS

AUGUST A. BUSCH, JR.
President

R. A. MEYER
Vice President and General Manager

FRANK H. SCHWAIGER
Senior Vice President - Brewing

WILLIAM BIEN
Vice President

C. J. HAUSER
Vice President

HENRY N. McCLUNEY
Vice President

JOHN FLANIGAN
Vice President

WALTER T. SMITH, JR.
Vice President

HUGO WANINGER
Vice President

J. KENNETH HYATT
Vice President

R. C. GADSBY
Vice President

THOMAS C. BURROWS
Vice President

OWEN RUSH
Vice President

RICHARD J. BENDER
Vice President

MARVIN D. WATERS
Controller

MRS. K. SIEBERT
Secretary

REID McCURM
Treasurer

R. A. RAWIZZA
Assistant Controller

THOMAS J. CARROLL
Assistant Secretary

JOHN L. HAYWARD
Assistant Treasurer

DIRECTORS

EBERHARD ANHEUSER

WILLIAM S. ANHEUSER

AUGUST A. BUSCH, JR.
Chairman of the Board

DAVID R. CALHOUN, JR.

JOHN FLANIGAN

A. VON GONTARD
Vice Chairman of the Board

ANDREW W. JOHNSON

JOHN F. KREY II

H. NORRIS LOVE

J. W. McAFEE

R. A. MEYER

ADOLPH B. ORTHWEIN

CURT H. REISINGER

ETHAN A. H. SHEPLEY

JOHN L. WILSON

EXECUTIVE COMMITTEE

AUGUST A. BUSCH, JR.
Chairman

R. A. MEYER
Vice Chairman

DAVID R. CALHOUN, JR.

A. VON GONTARD

ANDREW W. JOHNSON

J. W. McAFEE

JOHN L. WILSON

STOCK TRANSFER AGENTS

ST. LOUIS UNION
TRUST COMPANY
510 Locust Street
St. Louis 1, Missouri

CHEMICAL BANK NEW YORK
TRUST COMPANY
20 Pine Street
New York 15, New York

STOCK REGISTRARS

MERCANTILE TRUST COMPANY
721 Locust Street
St. Louis 1, Missouri

MORGAN GUARANTY TRUST
COMPANY OF NEW YORK
30 West Broadway
New York 15, New York

DEBENTURES—TRUSTEE, REGISTRAR AND PAYING AGENT

MANUFACTURERS HANOVER
TRUST COMPANY
40 Wall Street
New York 15, New York

ANNUAL REPORT
TO
SHAREHOLDERS
OF
ANHEUSER-BUSCH,
INCORPORATED

SAINT LOUIS, MISSOURI



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February 11, 1963
St. Louis, Mo.

THE PRESIDENT'S LETTER

To the Shareholders of Anheuser-Busch, Incorporated:

During 1962, Anheuser-Busch achieved a number of new records. Among these was the fact that we became the first United States brewery to produce and sell more than 9,000,000 barrels of beer in any single year.

Our sales and our earnings were also the highest in the history of the company, setting another new record.

For 1962 we sold 9,034,636 barrels of beer, and our total sales were \$426,670,314. This compared with 8,508,286 barrels shipped in 1961, and \$402,047,784 in sales during the same year.

Our increase in barrelage was 526,350, and in dollar volume was \$24,622,530.

Our total earnings for 1962 were \$17,009,029, or \$3.47 per share, compared with \$15,115,680, or \$3.08 per share in 1961.

The Yeast Corn Products Division also showed substantial volume gains, and sales in this division amounted to approximately 14 per cent of the total company sales.

Our \$23,750,000 improvement program in St. Louis is virtually completed, and the additional capacity of 1,300,000 barrels will enable us to continue our advancement in the sale of our beers.

Previous programs of expansion undertaken in Tampa and Los Angeles have also added to our production facilities. Our total capacity, including the increase in St. Louis, will be 11,200,000 barrels.

Sales of Busch Bavarian continue to expand; and during the coming year we expect to increase the number of wholesalers and add new market areas in which this successful popular-priced beer will be distributed.

Michelob in bottles, introduced in 1961, is doing very well; and as our production facilities expand, we intend to open new markets for this best of all beers.

With the introduction of Michelob into the market, Anheuser-Busch is now prepared to meet every pocketbook and every taste of the beer consumers of the United States.

Our picture of Anheuser-Busch as a single brand brewery has, therefore, been changed. While Budweiser continues to be our main product and

our lifeline, it is no longer our only beer . . . and Anheuser-Busch is no longer a one-brand brewery.

Our main competitors, of course, are studying our marketing philosophy and methods very closely and are trying to duplicate them. This is probably as good an endorsement as our policies could be given.

The Budweiser "Pick-A-Pair" program made new history during the two-month promotion period last year, when we sold in excess of 31,000,000 six-packs of Budweiser.

For 1963 we have set our sales goals in all divisions even higher than 1962—which I have already said was a record year; and we shall do everything within our power to meet the very high standards which we have set for 1963.

Anheuser-Busch now has over 16,000 shareholders and approximately 8,500 employees. Between them, they make a very substantial market for the company's products. It is our hope that the continued use of our products by both our shareholders and our employees will continue to make a major contribution to our forward progress in the years ahead.

Grant's Farm reached a new high in the number of visitors who toured this area when 200,000 persons came through the park in 1962.

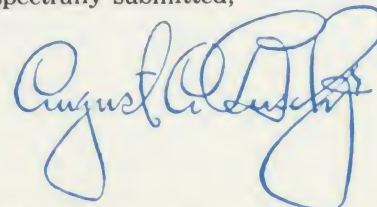
Busch Gardens, at the Tampa plant, played host to over 1½ million people last year, and to more than 4 million since the Gardens opened in 1959.

As a result of the tremendous success of both of these Anheuser-Busch projects, we have not only announced a \$1,500,000 addition to Busch Gardens in Tampa, but we have also announced a \$3,000,000 development on the grounds of our brewery in Los Angeles for a new Busch Gardens.

The Los Angeles development calls for a man-made wonderland of lagoons, forests, waterfalls, rare birds, a skyrail tour and a boat tour and various other items which will make this a spectacular development.

I want to extend to our shareholders our sincere appreciation for their confidence and support of Management and to assure them that we shall attempt to justify that confidence.

Respectfully submitted,



August A. Busch, Jr.
President and Chairman of the Board

THE ANNUAL MEETING

of the shareholders of the Company will be held on Wednesday, April 24, 1963 at 10:00 a.m. C.S.T. A notice of that meeting and proxies on behalf of the management will be sent to the shareholders on or about April 1, 1963.



THE YEAR AT A GLANCE

YEAR ENDED DECEMBER 31	1962	1961
Barrels of beer sold.....	9,034,636	8,508,286
Sales—less freight, discounts and allowances.....	\$426,670,314	\$402,047,784
Inventory turnover in cost of sales.....	7.2 times	7.7 times
All costs and expenses except taxes.....	285,863,190	273,260,626
All taxes.....	123,798,095	113,671,478
Per share.....	25.23	23.18
Earnings.....	17,009,029	15,115,680*
Ratio to net sales.....	5.2%	4.9%*
Return on average invested capital.....	10.7%	10.1%*
Per share.....	3.47	3.08*
Cash dividends paid.....	7,358,618	7,345,950
Per cent of earnings distributed.....	43%	49%
Per share.....	1.50	1.50
Earnings retained.....	9,650,411	7,769,730
Provision for depreciation charged to operations.....	12,307,190	11,157,507
Capital expenditures.....	23,470,259	19,433,657
FINANCIAL CONDITION AT DECEMBER 31		
Current assets.....	68,391,944	65,194,539
Current liabilities.....	21,560,361	14,064,725
Working capital.....	46,831,583	51,129,814
Working capital ratio.....	3.2 to 1	4.6 to 1
Per share.....	9.54	10.42
Investments and other assets.....	9,063,242	7,627,321
Per share.....	1.85	1.55
Net property.....	126,816,669	115,773,966
Per share.....	25.85	23.61
Long-term debt.....	19,584,000	21,102,000
Per share.....	3.99	4.30
Net worth—capital stock and surplus.....	163,127,494	153,429,101
Per share.....	33.25	31.28
Number of shares outstanding at December 31.....	4,906,059	4,904,491
Number of shareholders at December 31.....	16,093	16,820
Number of employees at December 31.....	8,501	8,387
Total payroll cost.....	\$77,837,970	\$ 73,355,037

*After loss on disposal of Miami plant \$891,858 (18c per share)

REVIEW OF THE YEAR

Condensed statement of beer volume and consolidated earnings by quarters is shown below:

In Thousands				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Barrels sold (all beers)	1,926	2,606	2,612	1,891
Net sales	\$70,613	\$91,596	\$92,697	\$72,262
Depreciation provision	2,899	3,042	3,046	3,320
Income before taxes	6,108	10,413	11,570	6,728
Earnings	2,931	4,998	5,541	3,539
Per share	.60	1.02	1.13	.72

Return on average invested capital for the year was 10.7% compared with 10.1% for 1961, and the ratio of earnings to net sales was 5.2% compared with 4.9% for 1961.

Cash dividends of \$1.50 per share were paid in 1962. The Company paid cash dividends in each of the past 30 years, and stock dividends in the years 1953 and 1954.

A summary of the consolidated income statement on page 12 for the past two years shows the changes that took place during 1962.

In Thousands

	1962	1961	Increase
Net sales	\$327,168	\$309,807	\$17,361
Per cent.			5.6%
Cost of doing business	292,349	278,933	13,416
Per cent.			4.8%
Income before taxes	34,819	30,874	3,945
Per cent.			12.8%
Tax provision	17,810	15,758	2,052
Per cent.			13.0%
Earnings	17,009	15,116	1,893
Per cent.			12.5%

WORKING CAPITAL

Working capital at December 31, 1962, was \$46,831,583, and working capital ratio was 3.2 to 1. Cash and marketable securities (excluding U. S. Government securities deducted from current liabilities) aggregated \$19,474,231, or .9 times current liabilities of \$21,560,361.

The following statement summarizes the flow of funds for the past three years and accounts for the changes in working capital:

In Thousands

	1962	1961	1960
SOURCE OF FUNDS			
Net earnings	\$17,009	\$15,116	\$15,416
Depreciation provision	12,307	11,158	10,581
Proceeds from stock options exercised	48	289	924
Other items (including Miami plant retirement in 1961)	(1,315)	6,397	370
Total	28,049	32,960	27,291
DISPOSITION OF FUNDS			
Additions to property accounts	23,470	19,434	17,076
Dividends paid	7,359	7,346	6,820
Long-term debt reduction	1,518	3,391	1,223
Total	32,347	30,171	25,119
Working capital increased or (decreased)	\$ (4,298)	\$ 2,789	\$ 2,172

INCOME DOLLAR ALLOCATIONS

Comparison of the changes in the analysis of the Company's sales dollar for 1962 and 1961 is shown below:

In Thousands

	1962	%	1961	%
For materials and supplies	\$154,404	34.7	\$146,613	34.9
To governments for taxes	123,798	27.8	113,671	27.1
To employees for salaries, wages and benefits	75,849	17.0	71,667	17.1
For all other costs and expenses	74,182	16.6	72,550	17.2
Total costs and expenses	428,233	96.1	404,501	96.3
Cash dividends paid to shareholders	7,359	1.7	7,346	1.8
Earnings retained in business	9,650	2.2	7,770	1.9
Sales dollar	\$445,242	100.0	\$419,617	100.0

TAXES

Total taxes applicable to 1962 operations (not including the many hidden taxes included in materials and services purchased) amounted to \$123,798,000; direct taxes for the last three years were:

In Thousands

	1962	1961	1960
Federal and state excise taxes on beer	\$ 99,815	\$ 92,493	\$ 92,359
Federal and state income taxes	17,810	15,758	18,035
All other taxes	6,173	5,420	5,306
Total	\$123,798	\$113,671	\$115,700
Per share	25.23	23.18	23.65

Federal income tax returns have been examined through the year 1961, settlements agreed upon, and the additional taxes paid.

PROPERTY

The following schedule presents capital expenditures and depreciated values for the past five years, including Busch Stadium:

In Thousands

	Additions	Depreciated Value December 31
1958	\$ 23,138	\$104,580
1959	14,180	108,054
1960	17,076	114,293
1961	19,434	117,177
1962	23,470	128,054
Total	\$ 97,298	

In February, 1962, Company purchased a malt plant in Manitowoc, Wisconsin. See "Legal Proceedings".

Expansion and modernization of the St. Louis brewery will be completed in 1963, resulting in an increase in St. Louis annual shipping capacity from 6,000,000 to 7,300,000 barrels.

Depreciation provision of \$12,307,190 includes \$1,962,600 of accelerated depreciation

provided by methods permitted pursuant to the Internal Revenue Code.

SHAREHOLDERS

At the close of the year, shareholders numbered 16,093 compared with 16,820 at the end of 1961.

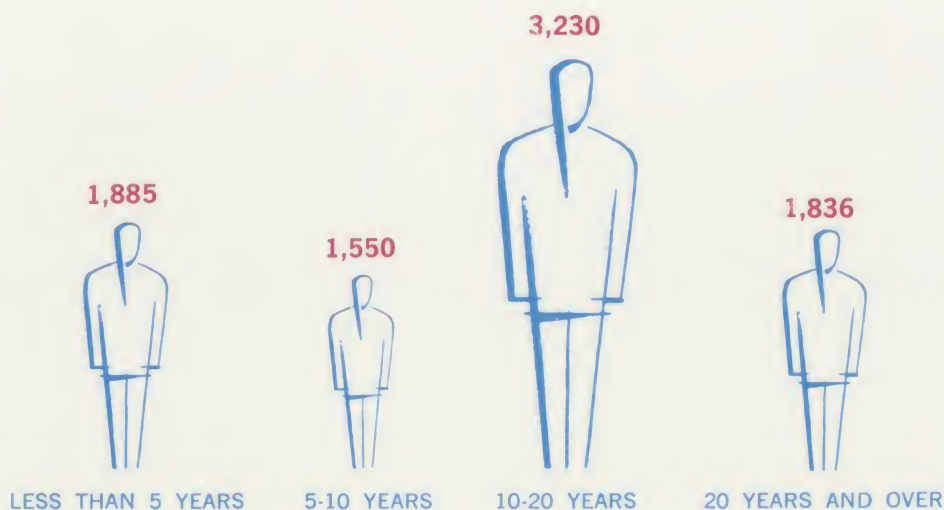
	Holders of Record	Shares Held
Men	4,705	913,780
Women	4,836	970,498
Joint names	5,174	367,588
Fiduciaries	716	1,013,723
Institutions, foundations, brokers, nominees and others	662	1,640,470
Total	16,093	4,906,059

EMPLOYEE RELATIONS

At December 31, 1962, employment was 8,501. Salaries and wages to officers and employees amounted to \$70,023,295. Pension, life insurance and welfare benefits aggregated \$5,825,352; payroll taxes totaled \$1,989,323.

EMPLOYEES AND LENGTH OF SERVICE

8,501 total



The chart above shows the breakdown of employees as at December 31, 1962 according to length of service. Within the group of 20 years and over, there are 177 employees who have been with the Company for more than 30 years.

FARM PRODUCTS

Farm products purchased by the Company in 1962 had an aggregate value of \$43,475,000. Processing of brewers grains and corn produced 129,900 tons of high protein feed having a sales value of \$5,701,000, which was returned to the farm as feed.

The American farmer supplies the domestic hops, barley, rice, and other grains used in the production of beer; corn for various products produced from corn; and molasses used in the production of yeasts.

In the brewing of Budweiser, the Company is one of the few breweries using rice exclusively as an adjunct grain to barley malt.

RESEARCH

Brewing research and development is, as the name implies, specifically devoted to the brewing process, and entails all aspects of the brewing procedure and the essential raw materials.

This program includes basic studies of the biochemical processes involved in the complex systems of natural raw materials and fermentation as well as pilot plant and plant-scale investigations. It provides development work as a means for reducing cost and capital expenditures for present and future expansions.

Current investigations have paved the way for more adequate utilization of several of our grain by-products as well as the probable utilization of spent hops. This should provide some economic advantage as well as an important step in reducing stream pollution.

The Company continues to investigate the Phillips Petroleum Company's beer concentration process and has completed the pilot plant operation in St. Louis.

Efforts of the corn products research section were devoted primarily to new products development. The yeast research group concentrated on process improvements. Both groups made contributions to the Yeast and Corn Products Division.

ST. LOUIS CARDINALS

Consolidated operations of the Cardinals and its subsidiaries for their fiscal year ended October 31, 1962, resulted in a net loss of \$73,173.

MANAGEMENT CHANGES

During 1962, Mr. John L. Hayward, formerly an Assistant Secretary, was appointed Assistant Treasurer.

We regret to report the death, on December 19, 1962, of Mr. C. E. Ehrhardt, who was an Assistant Controller of the Company.

STOCK OPTION PLAN

On August 2, 1955, shareholders approved a restricted stock option plan for officers and key employees of the Company and its subsidiaries to the extent of 240,811 unissued shares of common stock. Option prices are not less than 95% of fair market value at dates of grant (110% in the case of a person possessing 10% or more of the combined voting power of the Company).

In 1962, options covering 10,500 shares at \$52.09 and \$58.95 a share were granted. Options covering 1,568 shares were exercised at prices ranging from \$19.00 to \$36.575 a share and a 1,500 share option at \$54.27 terminated.

At December 31, 1962, the following options were outstanding:

Date of Grant	Number of Optioned Shares	Option Price
November 14, 1955.....	500	\$ 19.00
September 16, 1960.....	1,800	32.93
December 19, 1960.....	2,880	36.575
December 18, 1961.....	87,650	54.27
January 9, 1962.....	500	52.09
April 24, 1962.....	10,000	58.95
Total shares	103,330	

LEGAL PROCEEDINGS

On July 14, 1961, a complaint was filed against the Company by International Breweries, Inc. in the United States District Court for the Southern District of Florida, at Tampa, alleging that the Company is unlawfully using the word "Bavarian" on one of its beers, and seeking to have the Company enjoined from using the words "Bavarian" and "Bavarian's" in connection with the sale or distribution of beer or closely related products other than in certain areas where such words were used on

May 15, 1957. The complaint does not challenge the use by the Company of the trademark "Busch" in connection with the sale of Busch Bavarian beer.

On March 30, 1962, a complaint was filed against the Company and Swed Distributing Company and Swed (Louis) Distributing Company by International Breweries, Inc., in the United States District Court for the Southern District of Florida, at Tampa, alleging violations by the Company of the Sherman and Clayton Acts and requesting treble damages.

On February 1, 1962, the Company acquired from Rahr Malting Co., its malting and grain storage facilities at Manitowoc, Wisconsin. On January 31, 1962, in the United States District Court for the Eastern District of Missouri, Eastern Division, the United States of America filed suit under Section 7 of the Clayton Act to enjoin the Company from this acquisition. No preliminary injunction was sought. The relief sought by the United States is to require the Company to divest itself of the malting and grain storage facilities at Manitowoc acquired from the Rahr Malting Co. The Company has denied violation of Section 7 of the Clayton Act and of any anti-trust acts and the consequent restraint of interstate commerce.

On December 21, 1962, the United States of America filed suit in the United States District Court, Eastern District of New York, against the F. & M. Schaefer Brewing Company and the Company alleging, among other things, that the defendants were engaged in a combination and conspiracy in unreasonable restraint of interstate commerce in violation of Section 1 of the Sherman Act. The main allegation of the complaint is that henceforth the Company would only sell its Budweiser beer to Schaefer

for resale to retailers within the New York Metropolitan area. The complaint further alleges that the Company eliminated itself as a competitor in this area and deprived the retailers of a competitive source of supply of Budweiser beer. The Government requests that the defendants be enjoined from continuing such activity.

The Company was defendant in certain other lawsuits at December 31, 1962, the ultimate outcome of which cannot be determined at this time. The Company's liability under such suits, if any, would not materially affect its financial condition or operations.

OTHER MATTERS

The directors and shareholders of the Company have, subject to certain conditions, authorized an investment of \$5,000,000 in securities of the Civic Center Redevelopment Corporation which was formed to redevelop an area adjacent to the central business district of St. Louis by the construction of various improvements, including a stadium. The Company's obligations, in respect thereto, are conditioned upon the procurement from other sources of the balance of the required capital, the negotiation of a satisfactory lease for the use of the stadium by the Cardinals, and certain other conditions in connection therewith.

The investment credit provision of the Revenue Act of 1962 permits the Company to reduce its federal income tax payments for 1962 by \$263,415. This amount, which is included in accumulated depreciation, will be reflected in income in its entirety over the productive lives of the qualified property additions.

INDEPENDENT ACCOUNTANTS OPINION

PRICE WATERHOUSE & CO.

14 SOUTH FOURTH STREET

ST. LOUIS 2

February 8, 1963

To the Shareholders and
Board of Directors of
Anheuser-Busch, Incorporated

In our opinion, the accompanying statements present fairly the consolidated financial position of Anheuser-Busch, Incorporated and its subsidiaries at December 31, 1962 and the results of their operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Price Waterhouse & Co.

CONSOLIDATED BALANCE SHEET



ASSETS	December 31 1962	December 31 1961
Current Assets:		
Cash	\$ 11,509,620	\$ 11,874,327
Marketable securities, at cost which approximates market.....	7,964,611	14,165,937
Accounts and notes receivable, less allowance for doubtful accounts of \$600,000.....	14,947,068	13,054,390
Inventories, at lower of cost or market, cost being determined under the "last-in, first-out" method for approximately 58% of total inventories in 1962:		
Finished goods	5,191,229	5,703,753
Work in process	6,426,446	5,377,040
Raw materials and supplies.....	22,352,970	15,019,092
Total current assets	68,391,944	65,194,539
Investments and Other Assets:		
Investment and advances — St. Louis National Baseball Club, Inc.....	3,150,000	3,150,000
Busch Stadium, less accumulated depreciation of \$1,672,060 in 1962 and \$1,504,945 in 1961.....	1,237,543	1,403,052
Deferred charges and miscellaneous non-current assets.....	4,675,699	3,074,269
	9,063,242	7,627,321
Property, at cost:		
Plant and branch properties—		
Land	6,287,391	6,180,222
Buildings	86,030,813	80,468,791
Machinery and equipment.....	121,265,762	114,114,740
Construction in progress.....	17,585,695	10,512,154
Other real estate.....	2,657,324	2,326,442
	233,826,985	213,602,349
Less accumulated depreciation	107,010,316	97,828,383
	126,816,669	115,773,966
	\$204,271,855	\$188,595,826

The above statements should be read in conjunction with pages 7 and 8 of this report.

ANHEUSER-BUSCH, INCORPORATED *and subsidiaries*

LIABILITIES	December 31 1962	December 31 1961
Current Liabilities:		
Accounts payable	\$ 9,617,692	\$ 7,175,626
Accrued salaries and wages	3,196,556	2,434,328
Accrued taxes, other than income taxes	3,514,797	2,932,772
Estimated federal and state income taxes, less United States Government securities of \$7,409,839 in 1962 and \$9,509,275 in 1961	4,490,161	780,725
Other current liabilities	741,155	741,274
Total current liabilities	21,560,361	14,064,725
Long-Term Debt:		
3 $\frac{3}{8}$ % debentures maturing 1964 to 1977, less \$1,261,000 in treasury in 1962 and \$2,133,000 in 1961	19,584,000	20,202,000
4% notes payable		900,000
	19,584,000	21,102,000
Capital Stock and Surplus:		
Common stock, \$4 par value, authorized 6,000,000 shares (156,470 shares reserved under stock option plan); issued, 4,927,466 shares in 1962 and 4,925,898 shares in 1961	19,709,864	19,703,592
Capital surplus (principally arising from stock dividends)	9,766,138	9,724,428
Earned surplus (\$54,082,482 restricted as to payment of cash dividends under debenture indenture)	134,128,544	124,478,133
	163,604,546	153,906,153
Less cost of 21,407 shares of treasury stock	477,052	477,052
	163,127,494	153,429,101
	\$204,271,855	\$188,595,826

CONSOLIDATED STATEMENT OF INCOME AND EARNED SURPLUS

	1962	1961
Sales	\$426,670,314	\$402,047,784
Less federal and state beer taxes	99,502,123	92,240,570
	327,168,191	309,807,214
Costs and Expenses:		
Cost of products sold	231,440,811	216,943,701
Marketing expenses	55,593,355	54,839,574
Administrative and general expenses	6,215,342	5,884,183
	293,249,508	277,667,458
	33,918,683	32,139,756
Other Income and Expenses:		
Cash discounts, interest, and other income	1,937,077	2,006,291
Interest and other expenses	(1,036,629)	(1,396,538)
	34,819,131	32,749,509
Provision for income taxes	17,810,102	16,741,971
	17,009,029	16,007,538
Loss on disposition of Miami brewery less applicable reduction in income taxes		891,858
	17,009,029	15,115,680
Earned surplus at beginning of year	124,478,133	116,708,403
	141,487,162	131,824,083
Cash dividends, \$1.50 a share	7,358,618	7,345,950
Earned surplus at end of year	\$134,128,544	\$124,478,133

Provisions for depreciation of \$12,307,190 in 1962 and \$11,157,507 in 1961 are included in costs and expenses.

CONSOLIDATED STATEMENT OF CAPITAL SURPLUS

	1962	1961
Balance at beginning of year	\$ 9,724,428	\$ 9,486,991
Excess of option price over par value of common stock sold under stock option plan	41,710	237,437
Balance at end of year	\$ 9,766,138	\$ 9,724,428

**SALES, INCOME, DIVIDENDS, EARNINGS REINVESTED,
DEPRECIATION and PAYROLLS**

	Barrels	Net Sales	Income Before Taxes	Earnings	Earnings Per Share	.. Dividends Paid .. \$Shares Per Outstanding Share		Earnings Reinvested	Depreciation Charged to Operations	Direct Payroll
1933	607,511	\$ 15,049,833	\$ 457,251	\$ 325,529	\$ 1.81	180,000	\$ 3.00†		\$ 975,821	NA
1934	1,093,223	16,843,719	1,083,704	907,767	5.04	180,000	1.00	\$ 727,767	1,152,746	NA
1935	1,135,776	17,223,306	1,049,258	891,918	4.96	180,000	1.00‡	486,918	1,207,543	\$ 5,576,000
1936	1,376,692	21,150,154	3,715,984	3,041,653	16.90	180,000	12.00	881,653	1,285,920	6,356,000
1937	1,839,960	33,311,896	5,771,871	4,164,245	23.13	180,000	8.00	2,724,245	1,249,768	8,250,000
1938	2,087,188	35,803,704	6,773,409	5,445,867	6.05	900,000	1.60	4,005,867	1,428,096	8,922,000
1939	2,305,988	39,397,379	8,667,745	7,013,250	7.79	900,000	3.50	3,863,250	1,518,393	9,532,000
1940	2,462,211	42,859,413	8,624,393	6,407,883	7.12	900,000	4.00	2,807,883	1,709,360	10,288,000
1941	3,089,954	55,945,667	12,774,685	6,780,492	7.53	900,000	5.00	2,280,492	2,011,846	12,163,000
1942	3,492,343	68,009,070	15,744,654	6,439,818	7.16	900,000	3.75	3,064,818	2,463,575	13,690,000
1943	3,569,030	74,752,235	14,614,373	6,081,789	6.76	900,000	4.75	1,806,789	2,448,032	16,177,000
1944	3,692,352	76,668,879	13,755,798	5,639,253	6.27	900,000	4.00	2,039,253	2,662,119	16,825,000
1945	3,529,468	76,153,543	12,726,620	5,613,605	6.24	900,000	4.00	2,013,605	2,922,451	17,871,000
1946	3,026,413*	75,229,683	13,814,970	8,461,311	9.40	900,000	5.00	3,961,311	2,109,559	18,191,000
1947	3,608,903	104,401,628	16,221,459	9,883,845	2.20	4,500,000	1.20	4,483,845	2,240,280	23,096,000
1948	4,042,181	122,848,790	21,999,072	13,459,808	2.99	4,500,000	1.00	8,959,808	2,716,100	25,951,000
1949	4,526,115	135,304,255	23,780,430	14,509,752	3.22	4,500,000	1.00	10,009,752	3,343,994	29,178,000
1950	4,888,732	151,565,906	24,893,941	13,247,712	2.94	4,500,000	1.20	7,847,712	3,872,468	33,690,000
1951	5,479,314	179,405,026	20,926,313	10,776,927	2.41	4,475,000	1.20	5,391,477	5,053,180	39,175,000
1952	6,034,443	208,155,695	31,375,205	12,030,063	2.69	4,475,000	1.20	6,660,063	5,391,292	42,535,000
1953	6,711,222	237,003,969	36,077,913	13,232,549	2.82	4,698,750	1.20†	7,862,549	5,607,631	49,629,000
1954	5,828,760	215,923,244	27,231,414	12,752,975	2.65	4,816,218	1.20†	7,114,475	6,427,030	49,415,000
1955	5,616,793	201,718,743	17,274,396	8,026,152	1.67	4,816,218	1.20	2,246,691	7,186,735	50,011,000
1956	5,864,034	214,692,297	19,786,812	9,751,671	2.02	4,821,968	1.20	3,970,484	7,352,741	52,528,000
1957	6,116,077	227,224,930	19,955,587	9,777,599	2.03	4,822,068	1.20	3,991,177	7,508,440	53,238,000
1958	6,982,022	257,112,848	22,489,222	10,836,305	2.25	4,822,518	1.20	5,049,659	8,496,850	57,620,000
1959	8,064,756	295,992,022	29,075,116	13,028,672	2.69	4,851,698	1.25	6,988,311	10,082,726	62,843,000
1960	8,477,099	308,755,069	33,451,482	15,415,910	3.15	4,891,539	1.40	8,595,865	10,580,827	65,309,000
1961	8,508,286	309,807,214	30,873,888	15,115,680	3.08	4,904,491	1.50	7,769,730	11,157,507	66,232,000
1962	9,034,636	327,168,191	34,819,131	17,009,029	3.47	4,906,059	1.50	9,650,411	12,307,190	70,023,000

*Shares outstanding at December 31.

†In addition to cash dividends of \$3.00 per share paid in 1933 and \$1.00 per share in 1935, there was a distribution of 18,000 shares of The Borden Company stock in 1933 and 9,000 shares of The Borden Company stock in 1935.

‡In addition to cash dividend of \$1.20 per share paid in 1953 and 1954, a 5% dividend in shares of the corporation was distributed on December 30, 1953; and a 2½% dividend in shares of the corporation was distributed on December 30, 1954.

*Presidential Order effective March 1 reduced quantity of grains used in brewing to 70% of 1945 usage. Reduction remained in effect until September 1 when usage was increased to 85%, restriction removed on December 1.

10 YEAR SUMMARY OF FINANCIAL CONDITION

ASSETS

CURRENT ASSETS:

Cash
 Marketable securities, at cost
 which approximates market
 Accounts and notes receivable,
 less allowance for doubtful
 accounts
 Inventories, at lower of
 cost or market
 Total current assets

INVESTMENTS AND OTHER

ASSETS:

Investment and advances—
 St. Louis National
 Baseball Club, Inc.
 Busch Stadium, less
 accumulated depreciation ..
 Deferred charges and miscel-
 laneous non-current assets ..

PROPERTY, at cost:

Plant and branch properties—
 Land
 Buildings
 Machinery and equipment ..
 Construction in progress
 Other real estate
 Less accumulated
 depreciation

TOTAL

	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953
\$ 11,509,620	\$ 11,874,327	\$ 10,506,716	\$ 11,791,655	\$ 9,789,373	\$ 11,917,955	\$ 13,140,748	\$ 18,478,350	\$ 19,773,495	\$ 11,716,696	
7,964,611	14,165,937	14,218,484	7,845,824	8,942,292	22,344,250	12,997,734	1,603,626	5,583,526	4,889,879	
14,947,068	13,054,390	13,736,625	13,330,476	13,387,094	11,800,600	10,497,437	10,135,796	9,100,357	7,781,676	
33,970,645	26,099,885	24,942,413	25,367,627	23,125,803	21,163,921	22,784,452	22,213,206	25,405,591	25,891,243	
68,391,944	65,194,539	63,404,238	58,335,582	55,244,562	67,226,726	59,420,371	52,430,978	59,862,969	50,279,494	
3,150,000	3,150,000	3,150,000	3,150,000	3,150,000	3,300,000	4,300,000	4,574,720	4,375,061	3,804,561	
1,237,543	1,403,052	1,579,747	1,772,643	1,933,498	2,017,332	2,108,894	2,075,497	2,155,288	1,071,606	
4,675,699	3,074,269	4,079,212	4,192,819	4,193,558	3,730,244	3,018,539	3,829,793	3,087,865	2,706,477	
9,063,242	7,627,321	8,808,959	9,115,462	9,277,056	9,047,576	9,427,433	10,480,010	9,618,214	7,582,644	
6,287,391	6,180,222	7,463,407	6,651,864	6,580,948	4,886,216	4,762,748	4,763,622	4,068,202	3,515,510	
86,030,813	80,468,791	77,964,760	74,101,182	65,758,634	63,434,713	63,248,140	62,048,482	59,976,250	49,105,131	
121,265,762	114,114,740	109,108,500	102,430,671	91,135,142	83,460,490	80,826,502	79,588,416	76,810,851	65,124,756	
17,585,695	10,512,154	7,384,545	4,449,790	11,951,945	1,860,747	698,539	672,151	2,200,538	14,798,570	
2,657,324	2,326,442	2,241,020	1,110,786	1,069,077	874,665	873,552	865,221	928,287	1,069,368	
233,826,985	213,602,349	204,162,232	188,744,293	176,495,746	154,516,831	150,409,481	147,937,892	143,984,128	133,613,335	
107,010,316	97,828,383	91,448,766	82,462,905	73,849,600	66,391,656	60,213,256	54,193,195	47,904,236	42,404,904	
126,816,669	115,773,966	112,713,466	106,281,388	102,646,146	88,125,175	90,196,225	93,744,697	96,079,892	91,208,431	
\$204,271,855	\$188,595,826	\$184,926,663	\$173,732,432	\$167,167,764	\$164,399,477	\$159,044,029	\$156,655,685	\$165,561,075	\$149,070,569	

LIABILITIES

CURRENT LIABILITIES:

	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953
Current maturity of notes payable	\$ 9,617,692	\$ 7,175,626	\$ 900,000	\$ 6,096,217	\$ 7,600,144	\$ 5,302,578	\$ 5,045,500	\$ 795,000	\$ 1,540,000	\$ 785,000
Accounts payable	3,196,556	2,434,328	6,921,821	2,166,329	1,712,569	1,933,802	1,741,484	5,312,263	5,115,563	4,983,892
Accrued salaries and wages			2,364,425					1,513,316	1,246,708	1,283,542
Accrued taxes, other than income taxes	3,514,797	2,932,772	2,788,604	2,522,823	1,385,758	1,240,779	1,174,101	1,119,433	877,346	658,323
Estimated federal and state income taxes	11,900,000	10,290,000	11,880,000	10,680,000	8,290,000	7,787,000	8,549,500	8,820,000	14,765,000	22,950,000
U. S. Government securities	7,409,839	9,509,275	10,395,386	9,841,219	6,452,516	2,921,982	5,796,147	8,159,329	5,000,000	22,650,000
Other current liabilities	741,155	741,274	604,073	542,264	547,115	559,756	507,065	478,053	946,180	564,009
Total current liabilities	21,560,361	14,064,725	15,063,537	12,166,414	13,083,070	13,901,933	11,221,503	9,878,736	19,490,797	8,574,766

LONG-TERM DEBT:

3 3/8% debentures maturing 1964 to 1977, less \$1,261,000 in treasury in 1962	19,584,000	20,202,000	22,693,000	23,016,000	23,060,000	27,231,000	28,549,000	31,275,000	32,765,000	34,255,000
4% notes payable		900,000	1,800,000	2,700,000	2,700,000			325,000	375,000	425,000
Mortgage on Busch Stadium	19,584,000	21,102,000	24,493,000	25,716,000	25,760,000	27,231,000	28,549,000	31,600,000	33,140,000	34,680,000

CAPITAL STOCK AND SURPLUS:

Common stock, \$4 par value, authorized 6,000,000 shares (156,470 shares reserved under stock option plan); issued, 4,927,466 shares in 1962	19,709,864	19,703,592	19,651,784	19,492,420	19,375,700	19,373,900	19,373,500	19,372,500	19,372,500	18,900,000
Capital surplus (principally arising from stock dividends)	9,766,138	9,724,428	9,486,991	8,722,112	8,301,819	8,295,128	8,293,687	8,289,937	8,289,937	5,705,625
Earned surplus (\$54,082,482 restricted as to payment of cash dividends under debenture indenture)	134,128,544	124,478,133	116,708,403	108,112,538	101,124,227	96,074,568	92,083,391	88,112,907	85,866,216	81,808,553
	163,604,546	153,906,153	145,847,178	136,327,070	128,801,746	123,743,596	119,750,578	115,775,344	113,528,653	106,414,178
	477,052	477,052	477,052	477,052	477,052	477,052	477,052	598,395	598,375	598,375
Less cost of 21,407 shares of treasury stock	163,127,494	153,429,101	145,370,126	135,850,018	128,324,694	123,266,544	119,273,526	115,176,949	112,930,278	105,815,803
	33.25	31.28	29.72	28.00	26.61	25.56	24.74	23.89	23.42	21.94
Per share	\$204,271,855	\$188,595,826	\$184,926,663	\$173,732,432	\$167,167,764	\$164,399,477	\$159,044,029	\$156,655,685	\$165,561,075	\$149,070,569
TOTAL										



*A Happy Party that helps the Brewing Industry
Sell Beer and make Friends*

Bierstube

Competition and cooperation are the key words in the efforts of the brewing industry to expand its market while the scope and nature of the market are in a state of constant change. Competition among the breweries for a larger share of the market is keen and unrelenting. However, the breweries cooperate with one another to help assure a larger market for which to fight. The aim of Anheuser-Busch—and every other brewer—is a larger piece of a bigger and bigger market.

Cooperation is carried out mainly through the United States Brewers Association, which,

at the age of 100, is the oldest incorporated trade association in America.

To celebrate its 100th anniversary—and to sell more beer and make new friends—the USBA this year is promoting The Bierstube—a happy party combining beer, music, food and congenial company. It is a party that anybody can give—you in your own home for a few friends, or a big corporation for a thousand people at a sales convention.

Turn the page for some tips for giving a Bierstube.

All of the company's beer products—including bottled Michelob—were features on the tables of the Anheuser-Busch employee service award dinner. Here we are looking down at Table 25.



The main ingredients of a Bierstube are good food, music, gay Bavarian decorations and costumes, and plenty of Budweiser. The result: a happy party, good will, and a lasting impression of beer as the perfect party beverage.



Anheuser-Busch was co-host at a Bierstube given at the annual convention of the Missouri Restaurant Association in St. Louis. Here Association officers and their wives enjoy the party.



At the Bierstube for the Missouri Restaurant Association, guests were lifted into the spirit of the party by a costumed Bavarian band that played for entertainment and dancing.



At its annual service award dinner in October, Anheuser-Busch made the famous Khorassan Room of Hotel Chase in St. Louis the scene of a memorable Bierstube. The Bavarian costumes, red-checked table cloths, and iced Budweiser at the bar and at every table made it an especially appropriate employee party for the nation's largest brewer.



HOW TO STAGE A

Bierstube

The Bierstube is the main promotional event of the centennial year of the USBA.

Main emphasis is on encouraging beer wholesalers, restaurants, hotels, catering houses, etc., to stage and feature Bierstubes as

both regular and special attractions. With the Bierstube, they can offer a new and different kind of party to social groups, fraternal organizations, civic clubs, business companies and other groups.

From the caterers' point of view, the parties are easy to stage—and profitable. From the organization's point of view, they are fun and unique—and less expensive than most other kinds of parties. They frequently result in favorable publicity.

The USBA has prepared brochures with complete plans, including recipes, for staging a Bierstube—whether for a large party or a small one. Anyone can get this information simply by writing BIERSTUBE, United States Brewers Association, 535 Fifth Avenue, New York 17, N. Y.





Music is a must at a Bierstube. Here a Bavarian group leads the guests of the party given for the Missouri Restaurant Association in singing the old favorite, "Oh, do shoene Schnitzlebank." For home affairs, Decca Records and USBA have issued a record album, "Stein Songs for a Bierstube Party," featuring Rudy Vallee.

Here are some of the decorative items available for providing Bierstube atmosphere. These items—as well as Bavarian hats and other party favors—can be obtained at a modest cost.



Recipes for all these favorites and many others—Shrimp in Beer, Beer Cheese Soup, Sauerbraten, Centennial Beer Cheddar Cheese Cake, to mention a few—are available from USBA.



ANHEUSER-BUSCH QUALITY PRODUCTS...



CORN SYRUPS

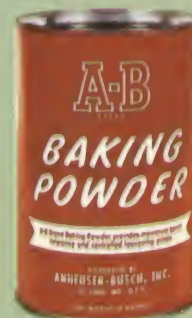
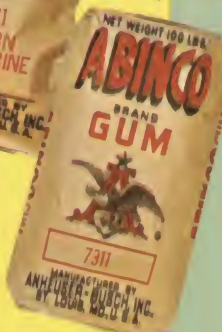
Sold nationally in tank cars, tank trucks, and drums to confectioners, syrup mixers, canners, bakers and ice cream manufacturers.

BUDWEISER BAKERS YEAST

Produced at the St. Louis, Mo., and Old Bridge, N. J., plants, Anheuser-Busch is the second largest domestic supplier of bakers yeast.

Abinco, A-B, Delta, Budweiser, Michelob, Bud, Busch are registered trademarks of Anheuser-Busch, Inc.





BUD® BRAND EGGS

The company produces a complete line of frozen and dried solids for the baking industry and other food processors.

TABLE SYRUPS

Corn syrup, refined at the St. Louis plant, is blended with cane sugar and other ingredients at the New Orleans plant to produce the company's line of table syrups.

GUARD®

Used in the baking industry as a mold inhibitor for bread and cakes.

D-S (Diastatic Supplement)

A diastated barley flour, it is used in the baking industry as a dough conditioner.

ANHEUSER-BUSCH A-B YEAST FOOD®

A yeast nutrient and wafer and dough conditioner, it is used in making bread and rolls.

A-B ENRICHMENT WAFERS

This product provides the essential vitamins required for "vitamin enriched" white bread.

DRIED YEASTS

These products are used as flavoring agents to impart cheese, chicken or meat flavors to foods, as sources of protein and as sources of the natural B vitamin complex.

STARCHES, GUMS AND DEXTRINES

These products are widely used in the manufacturing and processing of paper, textiles, food and even in the drilling of oil wells.

COTTON MAID® LAUNDRY STARCH

This starch is produced in both the liquid and spray types and is available in retail stores in the southern part of the country.

A-B BAKING POWDER AND BAKERS CREAM

These products are used as leaveners for all types of cakes.

"CHIPS"

An enzyme in wafer form, it is used as a dough conditioner in the baking industry.



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NATIONAL TROPHY

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JANUARY 1, 1963

